HERITAGE COUNTS 2010

ENGLAND

INTRODUCTION

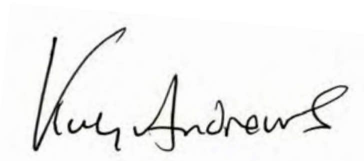
Investing in the historic environment brings real economic benefits to local places. On average £1 of investment in the historic environment generates an additional £1.60 in the local economy over a ten year period and half of all jobs created by heritage tourism are in the wider economy that supports and supplies our heritage attractions.

These are two key findings from *Heritage Counts 2010*, which draws on new evidence to explore the economic impact of the historic environment. The research also confirms the popularity of heritage among local people with more than 90% of those surveyed agreeing that investment in the historic environment had improved the perception of their local area, increased the pride they had in their local community and created places which are now nicer to live, work and visit.

This year *Heritage Counts* highlights the challenges and opportunities facing the historic environment sector over the next few years. The Decentralisation and Localism Bill, cuts in public sector funding and resources, limited private finance and the move towards localism will lead to radical changes in how the sector operates. Through this period of change, members of the Historic Environment Forum are committed to working with local groups and communities to ensure the historic environment continues to deliver economic and social benefits for local people.

Heritage Counts provides important evidence on the value of the historic environment and is an essential guidebook to what is happening in the sector. I would like to thank all the organisations involved in the production of *Heritage Counts* who ensure its success each year.

For the full set of *Heritage Counts* indicators, plus regional summaries please visit **www.heritagecounts.org.uk**



BARONESS ANDREWS OBE
CHAIR, ENGLISH HERITAGE

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THE ECONOMIC IMPORTANCE OF THE HISTORIC ENVIRONMENT

The historic environment plays a distinct and important role in the UK economy. It is a key driver of tourism, (the UK's third largest export industry), with a third of international tourists citing it as the main factor in them choosing to come to the UK. The economic importance of heritage extends beyond tourism. Investment in the historic environment supports economic performance by attracting new businesses and residents, encouraging people to spend more locally and enhancing perceptions of areas. It is a successful way to encourage economic growth and provides a blueprint for sustainable development.

This year's *Heritage Counts* uses new evidence to support the economic argument for investing in heritage. Firstly it examines the effects of investment in the historic environment on economic activity (Section 1) and then goes on to look at the economic impact of tourism and investment in historic visitor attractions (Section 2).

KEY FINDINGS

New research commissioned for this year's *Heritage Counts* explores the economic impact of the historic environment. It found:

Historic places are attractive to businesses and visitors

- The historic environment attracts visitors to local areas and encourages them to spend more. Approximately one in five visitors spend more in an area after investment that they did before.
- The historic environment is an important factor in businesses' decisions on location, as important as road access.
- The historic environment creates distinctive and desirable places, by attracting independent businesses.
- Historic areas also attract a greater mix of businesses, such as bars and restaurants, encouraging people to stay in an area longer and to visit at different times of the day.

Investment in historic areas delivers economic as well as environmental benefits

- Investment in the historic environment delivers additional economic benefit to local areas above and beyond what would have happened without the investment.
- Investment can increase business turnover, over one in four businesses (26% of those surveyed) stated that the historic environment investment had directly led to an increase in business turnover.
- Every £1 invested in the historic environment directly contributes on average an additional £1.60 to the local economy over a ten year period.

Investment in the historic environment improves the way people feel about places

- Investment in the historic environment improves public perceptions, increases civic pride and sense of identity. Almost every person surveyed in areas where investment had occurred agreed that the investment has raised local pride in the area (92%), improved perception of the local area (93%) and helped to create a distinct sense of place.

Investment in historic visitor attractions has an economic impact on the wider community

- On average half of the jobs created by historic visitor attractions are not on the site, but in the wider economy.
- For every £1 invested in heritage attractions an extra £1.70 is generated in the wider economy.

SECTION ONE: THE ECONOMIC IMPACT OF INVESTMENT IN THE HISTORIC ENVIRONMENT

Unlike many other regeneration schemes, investment in the historic environment can adapt to a wide variety of economic contexts. It has the potential to contribute to the sustainable economic development of local communities, whether through investment in new or improved shopping facilities, offices, housing or visitor attractions. Investments can be in a Victorian market, a 20th century factory, a Tudor house, the re-design of shop fronts or the improvement of public squares. It can be an investment of a few thousand pounds or millions. Investment in the historic environment can offer high returns to developers by creating places which attract residents, businesses and visitors, which appeal to creative and independent businesses and support a mixed economy.

New research by AMION Consulting and Locum Consulting commissioned for this report combines economic analysis with survey and mapping work to help understand the role of the historic environment and quantify its impact on economic activity, job creation and perceptions of local areas.

In total, five areas which had received investment in their historic environment were assessed in detail through on-street and business surveys in order to understand the impact of historic environment investment on economic activity, local perceptions and community life. These were:

- **Aylsham Historic Environment Regeneration Scheme (HERS), (East of England)** This scheme maintained the historic fabric of the market town of Aylsham. It was funded by English Heritage and Broadland District Council.
- **The Regent Quarter, Kings Cross (London)** The regeneration of a dilapidated part of Kings Cross by the developer P&O Estates, re-used existing 19th century buildings to create a mixed use development.
- **The Sheffield Cultural Industries Quarter (CIQ), Sheffield (Yorkshire and the Humber)** The restoration of 24 hectares (59 acres) including nine listed buildings in a pivotal part of the city centre through investment funded by the Heritage Lottery Fund (HLF).
- **Staircase House and the Covered Market Hall, Stockport (North West)** The restoration and rejuvenation of a medieval town house and the adjacent Victorian hall. The work was funded by the HLF, English Heritage and other public sector partners.
- **Stourport canal, Stourport (West Midlands)** This project, funded by British Waterways, HLF and other public sector partners, involved the restoration and enhancement of historic canal basins in Stourport on Seven.

Information was also obtained for a number of other historic environment investments including:

- **Albert Docks, Liverpool (North West)** The regeneration of the Albert Dock, situated on the edge of Liverpool's waterfront and containing a large number of listed buildings. Carried out by the Arrowcroft Group in conjunction with the Merseyside Development Corporation.
- **Cromford Mill (East Midlands)** The acquisition, conservation and regeneration of a Grade I listed mill complex within the Derwent Valley Mills World Heritage Site, funded by a number of public sector partners.
- **Curson Lodge, Ipswich (East of England)** A structural restoration and refurbishment programme led by Ipswich Building Preservation Trust of a Grade II* listed building.
- **East Lindsey HERS Scheme (East Midlands)** Grant funding by a number of public sector partners for the repair and restoration of several buildings in a rural area.
- **Fort Dunlop, Birmingham (West Midlands)** The conversion of a derelict tyre factory into office/retail space and a hotel by the property developer Urban Splash supported by Regional Development Agency (RDA) funding.
- **Gloucester Quays (South West)** The regeneration of a historic industrial area to the south of Gloucester docks by the Gloucester Heritage Urban Regeneration Company.

- **Newburgh Street (London)** Investments in buildings and the public realm in a historic street in London's West End, undertaken by the property developer Shaftesbury plc.

- **New Road, Brighton, (South East)** Improvements to the public realm in a street with a number of listed buildings in a cultural area. Funded by Brighton and Hove City Council.

- **North Shields Fish Quay, (North East)** Refurbishment of shops and fomer industrial buildings in a historic area at the mouth of the river Tyne. The work involved the re-use of a number of derelict historic buildings and was funded by the local council and RDA.

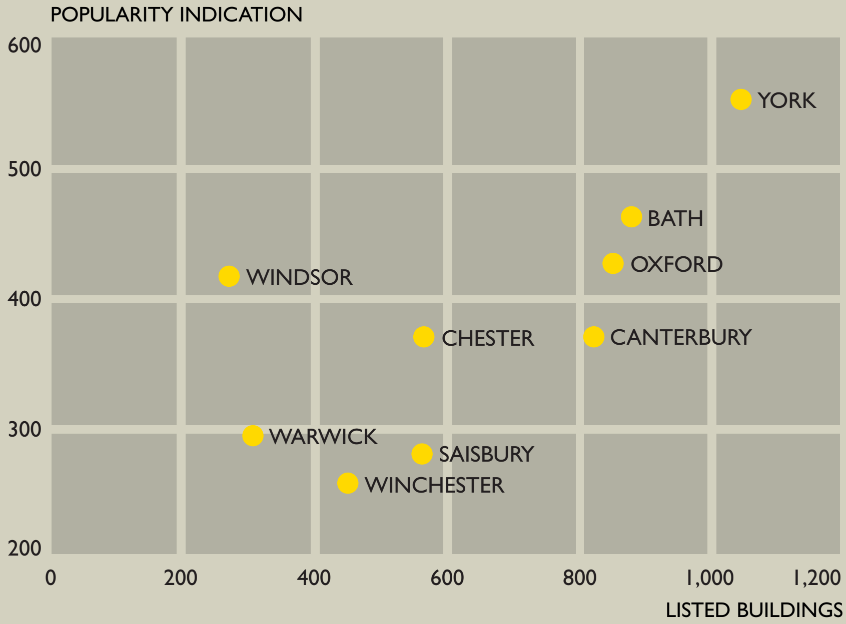
- **West Auckland Partnership Scheme for Conservation Areas (PSCA), (North East)** Historic building and shop fronts grant scheme, public realm improvements, conservation area character appraisal and management proposals in a rural area. The work was funded by the local council and RDA.

- **Plymouth Barbican (South West)** A partnership between Sutton Harbour Company and Plymouth City Council, established to ensure the regeneration of the historic Barbican and quayside area.

In the next two pages we use evidence from these case studies to illustrate the rationale for investing in the historic environment. The section then examines the economic impact of the case studies and their effects on local perceptions and community life.

1 POPULARITY OF HISTORIC TOWNS AS VISITOR DESTINATIONS

The North West Development Agency commissioned a survey of 35,000 people and asked them to rank places out of 1,000 on the basis of whether it was their type of place for a "day out". As shown in the figure below ▼ there is a strong direct relationship between the number of listed buildings and their popularity as a destination for a day out. The chart has a correlation coefficient of 0.71 – Where a coefficient of 0 means no correlation and +1 is very strong positive correlation, 0.71 is therefore an indication that the two characteristics are strongly correlated.



Source: Research for the North West Visitor Research Programme 2009-10 Locum Consulting and Arkenford Ltd for the North West Development Agency

HOW INVESTING IN THE HISTORIC ENVIRONMENT HELPS CREATE ECONOMIC ACTIVITY

By investing in their local historic environment, cities, towns and villages can add significantly to their appeal as destinations for visitors, shoppers and businesses, all of which creates economic activity; as well as ensuring the conservation of the historic environment. The key reasons for why investing in the historic environment is so important in improving the resilience of local places are outlined as follows.

THE HISTORIC ENVIRONMENT ATTRACTS VISITORS TO LOCAL AREAS

One of the strongest arguments for investing and promoting the historic environment is its importance in affecting perceptions of how attractive a place is to visit. Primary research studies have shown (see Box 1) a direct correlation between the number and nature of heritage assets in places and their appeal as destinations. This is backed up by the research for *Heritage Counts*. 91% of survey respondents to the on-street survey considered that the historic environment was either important or very important in decisions on where to visit. It was also an important factor in deciding where people live (74%) and work (68%).

2 INVESTMENT IN THE HISTORIC ENVIRONMENT ATTRACTS BUSINESSES

Ground floor tenants on Southside Street and the Quay, Plymouth before (2001) and after investment in the historic environment (2010)

	2001	2010
PUBS & BAR	6	11
RESTAURANT	7	10
GIFTS	10	9
ANTIQUES & ART	11	7
CAFE/COFFEE SHOPS	2	3
FOOD STORES	1	2
BOOKSTORES	4	2
FASHION	4	2
FISH & CHIPS	2	2
INTERIOR DESIGN		1
BAKERS	1	2
JEWELLERY	1	1
ICE CREAM	2	1
CHARITY SHOP		1
MARKET	1	1
NATURAL THERAPY		1
OPTICIAN	1	1
BETTING	1	1
COSMETICS	1	
SPORTS GOODS	1	
TOTAL	**47**	**49**

Source: Impact of historic environment regeneration AMION Consulting and Locum Consulting for English Heritage (October 2010)

Historic environments have also been shown to create an ambience that people want to spend time in, therefore having the potential to increase customer footfall for businesses. A recent survey for Plymouth Council illustrates this clearly.

1,300 visitors to the town were asked why they visited a particular area in Plymouth. For those that had visited the Barbican, the historic centre of Plymouth, 58% strongly agreed with the statement that the place has a good ambience and 44% that it is my sort of place. This was higher than for less historic areas in Plymouth.

THE HISTORIC ENVIRONMENT IS A FACTOR IN BUSINESS LOCATION

25% of businesses surveyed as part of the research agreed or strongly agreed that the heritage setting was an important factor in their decision to locate in an area. Though not the most important factor in determining where a business located (availability of premise, proximity to customers for example were more important), it was ranked as important as road access.

That investment in the historic environment is attractive for particular kinds of businesses can also be seen in the regeneration of the Plymouth Barbican area. Table 2 displays tenants in the Barbican before and after the investment. It shows that the investment has broadened the tenant base, with the number of pubs, bars and restaurants having increased from 13 to 21. These are mostly independent businesses.

THE HISTORIC ENVIRONMENT IMPROVES THE OVERALL APPEAL OF PLACES BY PROVIDING DIVERSE LEISURE AND RETAIL EXPERIENCES

All towns and cities provide a range of experiences formed by the combination of the built environment and the activity that takes place there. The Locum Consulting *Place Making Mosaic Framework* (Figure 3 overleaf, ▶ containing the case studies from the *Heritage Counts* research) illustrates this concept showing the varying destination experiences ranging from premium corporate brands in the top left of the framework to value traditional independents in the bottom right. The chart shows that the retail and leisure experiences offered by the historic environment, tend to be concentrated to the right of the framework, an area dominated by the independent sectors, and is more likely to be towards the top of the model, towards more premium brands.

By attracting independent businesses, the historic environment is often one of the deciding factors in making a place that is distinct from others; it provides experiences which are unique, therefore attracting visitors.

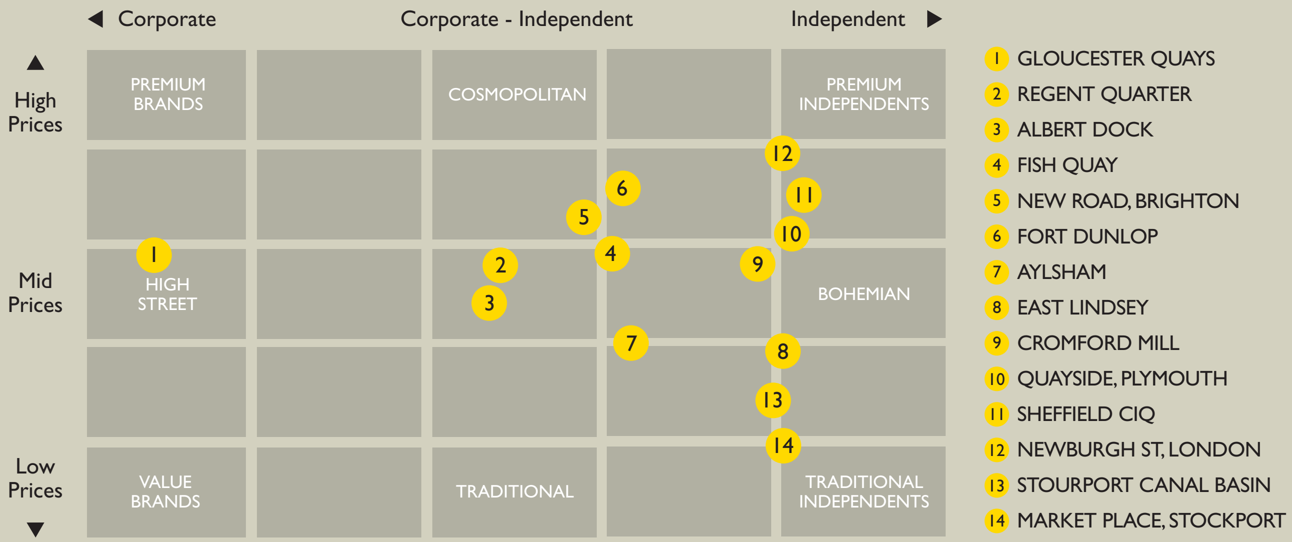
WHY THE HISTORIC ENVIRONMENT ATTRACTS INDEPENDENT BUSINESSES

Property agents often state that one of the most useful functions of the historic environment is to offer accommodation that is attractive to independent businesses because it is smaller, more flexible and cost-effective. This can clearly be seen in Brighton. The Lanes and North Laines are historic areas, with high concentrations of listed buildings and are dominated by small independent businesses. For example, on Bond Street, in the North Laines, of the 40 retail units only three are chains. This is in contrast to Churchill Square, the main high street area, which is not historic and contains mainly chain shops.

There is also evidence that historic buildings can provide cheaper accommodation which is attractive for small and independent businesses. In the Custard Factory in Birmingham, the refurbishment of this historic property allowed for cheap rentals to small businesses, creative industries and social enterprises. Development Trusts such as Tiger 11 in Leeds also make use of existing historic buildings to provide cheaper accommodation for local and independent businesses.

A place which has been the focus of investment in the historic environment often attracts **a greater mix of businesses** than other built environment contexts, with for example a greater proportion of restaurants, bars and creative businesses. In attracting these types of the businesses, the historic environment in many towns acts an "oasis" to the major shopping areas,

3 ZONES WITH CONCENTRATIONS OF HISTORIC BUILDINGS



Source: Copyright Locum Consulting and David Geddes, taken from Impact of Historic Environment Regeneration AMION Consulting and Locum Consulting for English Heritage (October 2010)

providing a place where people can relax and socialise, encouraging longer visits and visits at different times of the day (e.g. a night time economy.) For example in Brighton's Lanes and in North Laines there are three times more restaurant and bars than there are on the high street shopping area. A review of the tenants in Newburgh Street in London also shows the popularity of historic buildings to creative businesses. Of 11 known office occupiers, seven are creative businesses employing at least 50 people (Source: Focus). In Burselm, Stoke-on-Trent, historic buildings including a fomer pottery factory have been refurbished to provide rental space for start-up creative businesses.

THE IMPACT OF HISTORIC ENVIRONMENT REGENERATION ON ECONOMIC ACTIVITY

So far this section has presented a number of arguments for investing in the historic environment. In the next part of the section we present research findings which quantify the potential economic impact and return on investments in the historic environment, in terms of increased economic activity and job creation.

INVESTMENT IN THE HISTORIC CREATES ECONOMIC ACTIVITY AND EMPLOYMENT

Table 4 shows the estimated cumulative 10 year impact of investment in the historic environment for the five investments where detailed survey information was obtained. It looks at the increases in economic activity (measured by Gross Value Added, GVA) and employment created in five local areas as a result of the investment they received. [1]

In interpreting these figures it should be considered that investment in the historic environment is hardly ever undertaken solely to increase economic activity. Investment in the historic environment can maintain or restore significant historic fabric, increase a community's sense of place or improve the public realm. Yet it can still have a positive economic impact.

This investment in the historic environment is estimated to have created the following economic activity in the local economy over a 10 year period:

- The Aylsham HERS project will generate between £2.0 million and £1 million.
- The Regent Quarter will generate between £10.3 million and £3.3 million.

[1] GVA measures the contribution to the economy of individual producers, industries or sectors, and is equivalent to their gross output less their purchased inputs. It comprises wages, salaries, profits and rents. This economic activity does not include the impact of the initial construction phase of the investment itself.

4 CUMULATIVE TEN YEAR GVA AND EMPLOYMENT IMPACT FOR THE DETAILED CASE STUDY SITES

CASE STUDY	PUBLIC SECTOR INVESTMENT	INDICATIVE IMPACT		
		CUMULATIVE GVA	EMPLOYMENT	INCREASE IN BUSINESS TURNOVER
AYLSHAM HERS	£0.3M	£2M-£1M	9-4	£6.6M
REGENT QUARTER, KINGS CROSS	PRIVATELY FUNDED	£10.3M-3.3M	31-10	£10.9M
SHEFFIELD CIQ THI	£3.1M	£3.2M-£2.8M	17-15	£9.5M
STAIRCASE HOUSE & COVERED MARKET HALL	£5.3M	£3.2M-£2.2M	16-12	£10.6 M
STOURPORT CANAL BASINS	£3.3M	£11.5M-£7.4M	55-35	£38.4 M

Source: Impact of historic environment regeneration AMION Consulting and Locum Consulting for English Heritage (October 2010)

Image Sheffield Cultural Industries Quarter © James Davies, English Heritage

- Sheffield CIQ will generate between £3.2 million and £2.8 million.
- Staircase House and Covered Market Hall project will generate between £3.2 million and £2.2 million.
- Stourport Canal Basins will generate between £11.5 million and £7.4 million.

These figures refer to the **additional** economic impact created by the investment in the historic environment. It does not include the economic activity generated by the businesses in the area which would have happened regardless of the investment. Please see the methodology box on page 8 for more information, on how these figures were calculated.

An increase in business turnover is one of the key components in an increase in employment and GVA. In the five case study areas, just over one in four of the businesses surveyed (26%) said that their turnover had directly increased as a result of the historic environment investments. Table 4 shows the specific impact of the historic environment investment on the turnover of businesses in the local areas as measured by the on-street survey. It is important to note that some of the managers of the businesses surveyed, especially in Stourport, stated that their business turnover decreased because of displacement. However even in this case an estimated 60% of economic activity was additional rather than displaced from elsewhere.

Where it was possible to assess the economic impact for the remaining case study projects an estimate was calculated and is shown in Table 5 on page 8. As these studies did not have dedicated surveys more assumptions have had to be made in arriving at these impact figures than those in Table 4 so are given separately.

From both these tables we can see that a relatively small amount of public funding in the historic environment can produce ongoing economic impact. For example, it is estimated that £1m public investment in the East Lindsey HERS created 27-12 jobs and an additional GVA contribution of up to £6 million over 10 years.

INVESTMENTS IN THE HISTORIC ENVIRONMENT ARE COMPARABLE TO OTHER PUBLIC-SECTOR INVESTMENTS IN GENERATING ECONOMIC ACTIVITY

A comparison with other public sector investments shows that investments in the historic environment can offer returns in terms of economic activity generated that are equal to or even higher than other investment types. In Table 6 on page 9 the comparison is made between the four historic environment case studies with public funding and investments in the public realm. The public realm investments were primarily focused

METHODOLOGY BOX

For the five detailed case study projects on-street surveys of people and local businesses were undertaken (around 200 and 25 for each site respectively, 1000 on-street surveys and 122 business surveys overall). In addition to this, an analysis of the other investments in the historic environment was undertaken via a questionnaire of people involved with the projects.

Where possible, information from these surveys and the project questionnaire were combined with pre-existing visitor information to provide a robust measure of the economic impact of the case study investments.

The research measures the economic impact of the investments in the historic environment through its effects on people's behaviour (via increased visits and expenditure in the area which have received investments), rather than how many jobs a given development has accommodated. This is because many of these jobs would have previously existed in other areas; they were not created solely by the investment.

For example, an independent butcher might decide to relocate to Stockport covered market because he/she considered it an attractive location. As the business already existed it cannot be argued that it was created by the investment. However, the investment in the historic environment may be attracting more people to the shop, and/or encouraging people to spend more. This generates more business for the butcher, who may then take on more staff. It is this uplift in business that the analysis is measuring in the areas where the investment has taken place.

More generally, to be consistent with Government guidance in this area, the research has taken account of evaluation issues in the impact of public investment, such as displacement (the extent to which the investment may have reduced business activity elsewhere) and leakage (the degree to which money from the initial investments is retained in the surrounding area).

5 CUMULATIVE TEN YEAR GVA AND EMPLOYMENT IMPACT FOR OTHER CASE STUDY SITES

CASE STUDY	PUBLIC SECTOR INVESTMENT	INDICATIVE IMPACT	
		CUMULATIVE GVA	EMPLOYMENT
ALBERT DOCK, LIVERPOOL	£40.0M	£140.0M-£88.0M	667-424
CROMFORD MILL, DERBYSHIRE	£6.8M	£23.8M-15.0M	113-72
CURSON LODGE, IPSWICH	£0.7M	£0.4M-£0.3M	3-2
EAST LINDSEY HERS	£1.0M	£5.9M-£2.8M	27-12
FORT DUNLOP, BIRMINGHAM	£10.0M	£10.0M-£9.0M	55-49
GLOUCESTER QUAYS	£6.0M	£6.0M-£5.4M	33-29
WEST AUCKLAND PSCA	£0.5M	£3.0M-£1.5M	14-6

Source: Impact of historic environment regeneration AMION Consulting and Locum Consulting for English Heritage (October 2010)

on improving the quality of the built environment, streetscape and physical infrastructure in town and city centres; and is considered to be the kind of investment most comparable with historic environment projects.

Table 6 shows the average cumulative economic activity that the investments are likely to generate over 10 years relative to the public sector cost was 160% of the original investment, comparable to the benchmark ratio of 180%. Or in other words that, on average, every £1 invested in a scheme, produces £1.6 of economic activity in the surrounding area over a ten year period, above and beyond what would have occurred without the investment. For Alysham HERS the figure could be up to an additional £6 of activity in the local economy over a ten year period for an initial £1 investment.

Economic impact aside the re-use of existing buildings is a sustainable approach to development. For example in the Albert Dock developers were able to redevelop and refurbish in excess of 115,000 sqm of floorspace transforming derelict warehouses into hotel, retail and residential accommodation. In Gloucester Quays 14 historic buildings were restored leading to the creation of 28,000 sqm of retail space and Fort Dunlop created 40,000 sq m of primary office floorspace with the capacity to hold 2,250 jobs.

THE BENEFITS FOR COMMUNITIES OF HISTORIC ENVIRONMENT REGENERATION

The benefits of investing in the historic environment go beyond those that can be fully captured in economic activity. The research also found that investments in the historic environment have an impact on people's perceptions of an area and their pride in it; social interactions and perceptions of safety.

Investments in the historic environment were found to:

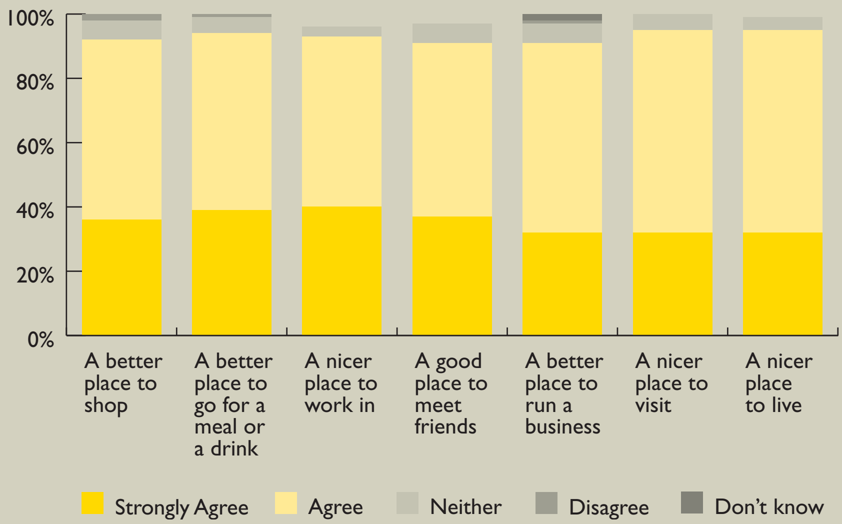
- **Improve the perceptions of local areas** There is clear evidence that investments in preserving the historic environment can create genuine improvements in perceptions of local areas. 93% of respondents to the on-street survey indicated that the projects had improved the perception of the local area and 91% that it has improved the image of the wider town. Overall businesses also agreed that it had improved the image of the project area and town (63%).
- **Increase civic pride and sense of identity** Over 90% of respondents indicated that they felt the projects had been either good or very good in raising pride in the local area (92%) and in creating a distinct sense of place (93%). This is supported by some of the projects examined, for example Fort Dunlop remains an iconic building for local people and now provides the local community with key facilities including shops, cafes, a nursery and an art gallery.
- **Improve social interaction** through creating high quality places, investment in the historic environment can create destinations where people want to spend time rather than just pass through. Of the five case studies explored, 95% of respondents agreed that the project areas were now good places to meet friends and the same proportion agreed that they were now better places to engage in social activities such as visiting restaurants and going shopping. This was corroborated by businesses in the area, with over half of businesses agreeing that the place was now a better place to meet friends (62%) and eat or drink (56%).
- **Increase community safety** While in many of the areas there were already high levels of people reporting they felt safe, in a number of the case studies there were significant changes in the proportion of people who assessed the area as safe or very safe after the investment. For example in Sheffield Cultural Industries Quarter, the proportion of respondents feeling safe or very safe rose from 73% to 98% after the project.
- **Enhance the landscape** 96% of all respondents to the on-street survey rated the projects as positive in terms of their impact on local heritage and 93% felt that the contribution of the projects to the local area was good or very good. ◀ Figure 7.

6 CUMULATIVE TEN YEAR GVA: PUBLIC SECTOR COST FOR THE DETAILED CASE STUDY SITES

	CUMULATIVE 10 YEAR GVA: PUBLIC SECTOR COST
AYLSHAM HERS	2.9:1 – 6:1
SHEFFIELD CIQ THI	0.9:1 – 1:1
STAIRCASE HOUSE & COVERED MARKET HALL	0.5:1 – 0.6:1
STOURPORT CANAL BASINS	2.2:1 – 3.5:1
CASE STUDY WEIGHTED AVERAGE	1.6:1
BENCHMARK RATIO	1.8:1

Source: Impact of historic environment regeneration AMION Consulting and Locum Consulting for English Heritage (October 2010) and PricewaterhouseCoopers (PwC)

7 THE EFFECTS OF INVESTING IN THE HISTORIC ENVIRONMENT ON LOCAL PERCEPTIONS



Source: Impact of Historic Environment Regeneration AMION Consulting and Locum Consulting for English Heritage (October 2010)

SECTION TWO: ECONOMIC IMPACT OF HISTORIC VISITOR ATTRACTIONS

Heritage tourism is a national past-time with seven out of ten adults in England, 35 million people, visiting at least one heritage site in the last 12 months. In 2009 there were well in excess of 50 million visits to historic visitor attractions. Heritage is also a key driver of inbound tourism to the UK with over 50% of inbound tourists visiting castles, churches, monuments and historic houses. It is a more important driver for international tourism than the theatre, opera, ballet and concerts, sports activities, museums and galleries.

All this activity has a significant economic impact. A 2010 report, for the Heritage Lottery Fund, has estimated that the tourist spending (including that on attractions, food and accommodation) in the UK which can be attributed to heritage (inclusive of museums and natural heritage) directly generates £7.4 billion of GDP per annum and supports employment for 195,000 people. It is also very likely that heritage tourism will become of increasing economic importance to local and regional economies. It is a growth industry with many sites seeing record visitor numbers in 2009. This includes record visitor numbers at sites owned by large organisations such as the National Trust, but also smaller bodies such as the Churches Conservation Trust.

The economic impact of heritage tourism is probably most directly felt in the communities surrounding heritage sites. Historic visitor attractions are local employers, purchasers of local goods and services, and provide customers for local shops, restaurants and hotels.

When investments are made in historic visitor attractions, there is often an additional economic benefit to the local community, both in terms of the construction phase but also through the increased economic activity from more visitors. This is in addition to the other benefits of investing in heritage sites which include increasing commercial opportunities, conserving buildings and advancing knowledge.

The next section explores the evidence from a number of research projects which looked at the economic impact of heritage sites, and what additional investment means to local communities.

ASSESSING THE ECONOMIC BENEFIT OF INVESTMENT IN HERITAGE ATTRACTIONS

INVESTMENT IN VISITOR ATTRACTIONS BRINGS CLEAR BENEFITS TO LOCAL ECONOMIES

In total, a robust evaluation of the economic impact of investment at heritage attractions has been undertaken at almost 75 sites. This includes sites which have received investment from the Heritage Lottery Fund, National Trust and English Heritage. The key findings are that:

£363.4m of investment at 72 sites has resulted in:

- Additional spend in regional economy = £197m
- Jobs created = 3,592
- Jobs supported = 6,893
- Average number of new jobs per project = 50
- Return on Investment (ROI) = 4.5

In order to look more closely at what investment in historic attractions means for local communities, research was commissioned from GHK by the National Trust and English Heritage to explore the economic impact of investment of £23.4 million at five sites:

Anglesey Abbey (2007).
The creation of external visitor facilities for this Jacobean house (£4m investment) in Cambridgeshire.

Dover Castle (2009).
The recreation of the 12th century interior of the castle's Great Tower using period techniques (£2.4m investment).

Down House: Home of Charles Darwin.
The 1996 acquisition of the house (which converted it to a fully fledged visitor attraction) and the 2009 refurbishment (£4.7 million in total, 2009 prices).

Kenilworth Castle (2009).
The recreation of the Elizabethan garden and new visitor facilities at the castle, which is in the market town of Kenilworth in Warwickshire (£4.8m investment).

Tyntesfield (Ongoing).
The restoration, and opening, of this Victorian Gothic revival house, and its gardens (£7.5m investment to date). The restoration programme is still ongoing and visitors are able to visit the house while it is underway. The house is located at Wraxall, near Bristol.

To be consistent with Government guidance, this research was designed to take account of standard evaluation issues in the impact of public investment, such as leakage and displacement.

Figure 8 illustrates how historic sites have an impact on the local economies.

2 Local is defined to be the area within 10 miles of the site and regional the area within 50 miles.

3 Job years are used to measure temporary employment impacts where, for example, three people working for four months is equivalent to one job year

INVESTMENTS IN HISTORIC VISITOR ATTRACTIONS HAVE AN IMPACT THAT EXTENDS BEYOND THE SITE TO THE SURROUNDING AREAS

Table 9 overleaf shows estimates of the local and regional economic impacts for the £23.4m of investments made across the five English Heritage and National Trust sites. 2 The regional figures here, and elsewhere, are inclusive of the local figure. Since the investment in the sites was made:

- The five sites are responsible for 329 jobs regionally and an annual Gross Value Added (GVA) of £9.8m. At a local level these figures are £7.3m and 268 jobs.
- The construction phase of these investments created 278 job years 3 of work and GVA of £11.2m regionally, 57 job years and £2m GVA locally.
- The investment at these sites is responsible for creating 145 jobs and £4.6m GVA on an ongoing basis, 109 jobs locally and £3.3m of GVA. This is mainly due to an increase in visitors and the ongoing impact of this in terms of direct employment, increased turnover for visitor related businesses and increased supplier orders.

It is estimated that as much of the employment created by the visitor attractions is off-site as on-site. As shown in Table 9 overleaf only around half of the employment generated by the sites is direct on-site employment. The rest is accounted for by employment at direct suppliers to the site, employment generated by visitor spending in local shops, restaurants and hotels, and the employment generated by all the additional economic activity that this creates.

Table 9 shows the regional impact figures split down for the individual sites. The left-hand column shows the economic impact of the sites as

8 THE ECONOMIC IMPACT OF HISTORIC SITES

Source: English Heritage

a whole and the second shows the impact of investments during the construction phase. The last column shows the ongoing annual economic impacts (post-construction) that the investments have had.

INVESTMENTS IN HISTORIC VISITOR ATTRACTIONS ARE COMPARABLE TO OTHER PUBLIC-SECTOR INVESTMENTS IN GENERATING ECONOMIC ACTIVITY

The ongoing impacts of the investments are estimated to have supported an annual increase in regional GVA of £200 per £1,000 invested above and beyond what would have occurred without the investment. Over ten years this corresponds to an extra £1.7 of economic activity per £1 invested.

This is broadly equivalent to the economic impact found in the historic environment investment research (£1.6 per £1 invested) and comparable to the return that that has been found for investment in the public realm (£1.8 per £1 invested).

These figures indicate the potential for all investments in historic visitor attractions to have an economic impact in their local communities.

CASE STUDY: THE ECONOMIC IMPACT OF RUNNING CASTLE HOWARD

Castle Howard is a major country house set in extensive grounds fifteen miles north of York. The castle is in private ownership and was mostly constructed by Vanbrugh in the early 18th century.

The castle has a significant impact on the local economy. In 2008/09 it employed 880 suppliers, with an annual expenditure of over £4 million. Around half of these suppliers (464 / 53%) and half of the value of the transactions (£2.5m / 57%) are from Yorkshire itself. The castle plays an important role by providing local business opportunities. For example, the castle provides local farmer Gareth Barlow with grazing land for his rare Hebridean sheep. The lamb is then sold at the castle's farm-shop butchers where Gareth is being trained in butchery techniques.

CASE STUDY: THE ECONOMIC IMPACT OF THE HLF INVESTMENT IN THE DE LA WARR PAVILION

The pavilion was the UK's first Modernist public building, opening in 1935. At the start of this century the building was run-down and refurbishment was seen as a way of restoring it to its original condition and purpose. The HLF's £2.3 million investment created a new gallery space complementing the existing exhibition areas, while the original 1,000-seat auditorium was updated. A new studio space was also created accommodating modern education facilities.

The pavilion received over half a million visits in the first year of completion – a 60% increase on the pre-refurbishment figure. Visitor surveys indicate that over 70% of visitors come from outside the local district, with three-quarters of staying visitors travelling to Bexhill specifically to see the Pavilion.

It is estimated that the pavilion has resulted in regional employment of 36 staff and GVA of £465,000. When the effect of supplier, visitor expenditure and multiplier effects are taken into account this impact increases

9 THE REGIONAL EMPLOYMENT AND GVA IMPACT OF FIVE HISTORIC SITES

	ONGOING IMPACT OF THE SITE (POST INVESTMENT)		IMPACT OF CONSTRUCTION PHASE OF INVESTMENT		ONGOING IMPACT OF INVESTMENT	
	GVA (£ MILLION)	EMPLOYMENT (OF WHICH ON SITE EMPLOYMENT)	GVA (£ MILLION)	EMPLOYMENT (JOB YEARS)	GVA (£ MILLION)	EMPLOYMENT
ANGLESEY	£1.6	72 (30)	£2.5	59.9	£0.4	20
DOVER	£3.5	111 (55)	£0.3	6.4	£0.6	15
DOWN	£1.1	33 (11)	£2.0	48.3	£1.1	30
KENILWORTH	£1.4	47 (13)	£2.5	58.9	£0.5	13
TYNTESFIELD	£2.1	66 (19)	£3.9	104.8	£2.1	66

Source: Impact of historic visitor attractions GHK Consulting for English Heritage and National Trust (October 2010) by 57 FTE jobs and £735,000 GVA respectively, creating 93 jobs in total and over a £1 million GVA in the regional economy.

Historic attractions can bring a number of extra benefits aside from increases economic activity.

THEY CAN HAVE A POSITIVE IMPACT ON THE PERFORMANCE OF LOCAL BUSINESSES

Site investments have been found to have a positive impact on business confidence. For example, the popularity of Down House as a visitor attraction helped to improve the sustainability of many of the pubs and cafes in the village. Many properties establish good links with local businesses through sourcing products from the local area (such as in Anglesey Abbey) and directing visitors to specific caterers (for example, wedding catering in Kenilworth).

THEY CAN ENGAGE COMMUNITIES

Properties often develop links with local residents and community groups. Tyntesfield, for example, used the ongoing construction work to provide learning and work experience opportunities for young people, centred on operating and restoring historic buildings. Anglesey Abbey has an ongoing volunteer scheme in place which offers volunteer placements to people with mental health problems as well as corporate, employer-supported volunteering opportunities.

THEY CAN ENSURE SPECIALIST SKILLS ARE PRESERVED.

Investment at heritage sites provides important opportunities for contractors to develop and enhance the specialist skills needed to maintain the historic fabric. Without these opportunities it is possible that these skills could be lost forever, impacting on our ability to maintain historic fabric.

For the full research reports please visit **www.heritagecounts.org.uk**

Top Image Curson Lodge, Ipswich © Ipswich Building Preservation Trust
Bottom Image De La Warr Pavilion © Paul Hewitt HLF

> "During the summer months approximately 20% of business at the pub can be attributed to visitors to Down House…In the last year or so there has been an increase in turnover when most pub owners saw a decrease"
>
> – Local pub owner.

Top left image Regent Quarter, Kings Cross © English Heritage Top right image North Shields Fish Quays © English Heritage Bottom image Castle Howard © Castle Howard Opposite Kenilworth Castle and Elizabethan Garden © English Heritage Photo Library

02

THE HISTORIC ENVIRONMENT IN 2010: AN OVERVIEW

2010 has been a pivotal year for the historic environment sector. Under the previous administration, the Planning Policy Statement for the historic environment was published and the Marine and Coastal and Access Bill received royal assent. March 2010 saw the publication of *Government's Vision Statement for the Historic Environment* which acknowledged the value of heritage in itself, and the important role played by the historic environment in shaping communities and creating an environment for economic growth. The new Minister for Heritage and Tourism has indicated his backing for the principles set out in the Vision Statement and that these will continue to be supported and applied across Government. The visitor figures for 2009 confirmed the importance of the historic environment to the economy, with visitor figures in England in 2009 up 9% on 2008 to 51.2 million, and new research from the Heritage Lottery Fund illustrated that heritage tourism contributes £7.4 billion to the UK economy annually and supports 195,000 jobs. Finds such as the Staffordshire Hoard highlighted the interest and value people place on archaeology and the historic environment more generally.

The formation of the Coalition Government has been the most defining feature of 2010. Proposals including the Decentralisation and Localism Bill, the review of Arms Lengths Bodies and the rise in VAT will have a significant impact on the historic environment. The move towards localism is likely to see radical changes to the way the historic environment is managed with local groups, civic societies and volunteers becoming more directly involved in managing the historic environment.

All of these changes, opportunities and threats are in the context of decreased public sector funding over the next four years. Most of the historic environment is in private or voluntary hands, but public funding is vital to address known market failures and maximise the value of the historic environment. Effective and innovative partnerships will be very important if we are going to ensure that the historic environment is well maintained, accessible and continues to contribute to wider social and economic agendas.

This year, the policy section of *Heritage Counts* is divided into two parts, a review of the key developments affecting the historic environment in 2010, and the likely implications for the historic environment brought about by the proposed policies of the Coalition Government, within a post recession funding climate.

A REVIEW OF KEY DEVELOPMENTS IN **2010**

HERITAGE PROTECTION REFORM

English Heritage and its partners have continued to work with Government to implement the objectives of Heritage Protection Reform (HPR). The key achievements reached in 2010, the highlight of which is the publication of Planning Policy Statement 5, are outlined below.

Planning Policy Statement 5: Planning for the Historic Environment

In March 2010, the sector welcomed the publication of Planning Policy Statement 5 (PPS5): Planning for the Historic Environment.

PPS5 sets out the Government's objectives for the way the protection of the historic environment will be dealt with by the planning system. These are:

1. To deliver sustainable development in a way that recognises the role of the historic environment;
2. To conserve England's heritage assets in a manner appropriate to their significance;
3. To contribute to our knowledge and understanding of our past by capturing evidence from the historic environment and making this publicly available.

The PPS sets out a broad definition of the historic environment, being "the interaction between people and places through time". It states that key to good decision-making is developing an understanding of the significance of what is being affected by a proposal for change. There is also a pro-active definition of conservation, as "the process of maintaining and managing a heritage asset in a way that sustains and where appropriate enhances its significance."

PPS5 sets out succinct policies on climate change, plan-making and development management with more detail, information and advice in the supporting *Practice Guide*. Some particularly complex issues, such as enabling development will be the subject of further English Heritage new or revised advice.

Sector wide events on PPS included training by English Heritage and a joint session held by The Heritage Alliance with the British Property Federation which explored what PPS5 in practice means for the sector. As a complement to PPS5, the DCMS published an updated policy statement on scheduled monuments. This contains information in relation to the treatment of many archaeological sites.

In July 2010, English Heritage began a consultation on its ***draft guidance on the setting of historic assets***. As well as being used by English Heritage, it will also be offered to other parties to assist them in managing any change to the setting of historic places they are involved with. The guidance will help ensure that judgements made about the contribution of setting to the significance of historic assets are as objective and consistent as possible. The consultation will close in November 2010.

IMPROVEMENT TO THE DESIGNATION AND PROTECTION SYSTEMS

Work has begun to streamline and improve the designation system with the availability of online applications for designation requests, the initial launch of the Unified Designation System (an online database of all designated heritage assets) and the publications of selection guides outlining statutory selection principles for heritage assets (listed buildings and scheduled monuments published so far).

The administration of all designation casework is now handled by English Heritage and owners and local authorities are able to provide comments on the information provided by English Heritage before the recommendation for listing goes to DCMS, allowing for greater transparency in the system.

English Heritage is continuing to work with partners on developing and implementing pilot **Heritage Partnership Agreements (HPA)**. HPAs allow owners of large or complex heritage sites to carry out some works without having to apply for consents each time work is needed. Pilot HPAs include Foxton Locks with British Waterways and Byker Estate with Newcastle City Council. Statutory provision of HPAs was part of the 2008 draft legislation to implement Heritage Protection Reform and legislation is still needed if HPAs are to be used and relied upon across the country.

In November 2009 the **Marine and Coastal Access Bill** received Royal Assent. The Bill introduced a framework for the sustainable use and protection of the marine environment.

CAPACITY BUILDING WITHIN THE HISTORIC ENVIRONMENT SECTOR

English Heritage is continuing to offer training for heritage professionals through the Historic Environment Local Management Programme (HELM) and English Heritage Professional Placements in Conservation (EPPIC) scheme. Publications produced by HELM in the last year include *Understanding Place: Historic Area Assessments in a Planning and Development Context and Refurbishing Historic School Buildings.*

Within the current economic climate, public sector organisations are increasingly looking into asset transfer. Organisations across the historic environment sector including English Heritage, HLF, National Trust, Architectural Heritage Fund, the Princes Regeneration Trust and the Development Trust Association's Asset Transfer Unit are currently in the process of producing guidance for the process of asset transfers.

Historic Environment Records (HERs) are an important cornerstone of Heritage Protection Reform. They allow for access to consistent, up-to-date and high quality information about the historic environment in any given locality. Their importance is recognised in PPS5 which sets out the requirement for Local Planning Authorities to consult HERs as a matter of course in planning and development issues. *Sites and Monuments Record to Historic Environment Records – Local Authority Case Studies* published in February 2010 includes excellent practical examples of the many uses and practical benefits of HERs. English Heritage funding has been made available for local authorities to develop best practice for HPR compliant HERs.

In the non-government sector, greater capacity to promote awareness of HPR has been provided through the appointment of an HPR Co-ordinator funded by English Heritage and sitting within The Heritage Alliance. The role has created a number of initiatives including a joint HPR communications plan with English Heritage, the development and delivery of voluntary sector training needs survey and participation in a working group investigating opportunities from PPS5 for ensuring greater public benefit from archaeological practice.

WORLD HERITAGE SITES

Following a public consultation on the future of World Heritage sites in the UK, the Government announced its intention to renew the tentative list for the UK's future nominations for World Heritage sites. 38 sites in the UK including Overseas Territories and Overseas Dependences have put themselves forward for inclusion on the list, 20 of which are at least partially in England. An independent panel of experts will assess each bid for inclusion on the tentative list, with sites being put forward to UNESCO from 2011 onwards. The tentative list will be valid for around 10 years.

PARTICIPATION AND THE HISTORIC ENVIRONMENT

VISITOR NUMBERS AND PARTICIPATION RATES

David Cameron's speech on tourism in August of this year, reaffirmed the Coalition Government's commitment and understanding of the importance of tourism to the UK economy. In this speech he recognised heritage and the historic environment as key components to our tourism offer. This is backed up by recent figures from a HLF/Visit Britain study which found that heritage tourism (including museums and natural heritage) makes a direct contribution of £7.4bn to the UK GDP annually and supports 195,000 jobs; with 6.4 million international visitors going to a religious monument or building, 5.8 million a castle and 5 million a historic house in 2009. The importance of tourism to the economy has been highlighted by the current economic climate. While many industries continue to struggle, the number of domestic overnight trips are up 8% to the 12 months to April 2010, and inbound visitor spending is up by 1.8% (nominal terms) over the same time period. Within this context, 2009 saw record visitor figures for many heritage sites. Results from the *Visit England/English Heritage survey of historic environment visitor attractions*, reported that visitor numbers in 2009 were up 9% on 2008, the National Trust reported a 16% rise in visitor numbers to paid for sites in the 12 months to February 2010, there was a 15% rise in visitor numbers to the Historic Royal Palaces and the Historic Houses Association an 8% rise. Early indications are that visitor figures for 2010 are unlikely to be quite as high as 2009, but with domestic overnight trips up, and inbound visitor figures steadily rising, it is unlikely that they will fall to the lower levels seen in 2008.

THE OLYMPICS AND THE HISTORIC ENVIRONMENT

London 2012 Olympics and Paralympics presents an important opportunity for further promoting our heritage. Discovering Places has consolidated its position as one of the Major Projects of the London 2012 Cultural Olympiad. Funded by the Olympic Lottery Fund through the London Organising Committee of the Olympics and Paralympics (LOCOG), Discovering Places will inspire communities across the UK to celebrate and discover the natural, built and historic environment on their doorstep and beyond, through weekend events, artist commissions, interactive programmes and engaging education programmes. Discovering Places is managed by The Heritage Alliance.

Discover Greenwich, opened in 2010, is a £6 million project marking a significant enhancement to the interpretation and education facilities at Maritime Greenwich World Heritage Site. It is anticipated that one million visitors will attend in the first year. Greenwich is the site of the equestrian Olympic events.

The rise in visitor numbers is reinforced by the most recently published data from *Taking Part*, a national survey of culture and sport participation. The latest available data shows that in the 12 months to March 2010, the percentage of adults in England who had attended at least two heritage sites in the last year was 59.2%, an increase on 56.9% measured in the 12 months to March 2009. This equates to almost one million more adults attending at least two heritage sites in the last 12 months.

VOLUNTEERING AND THE HISTORIC ENVIRONMENT

In 2008/09 there were an estimated 485,500 adults volunteering in the heritage sector. They undertake a wide variety of tasks from participating in archaeological projects, running civic societies to volunteering at heritage attractions.

The largest volunteering opportunity is Heritage Open Days (HODs), now in its 15th year. The volunteer-led local heritage programme continues to attract a diverse range of participants and helps develop links between communities and their local heritage. It is England's leading voluntary cultural event involving thousands of organisers and volunteers in creating and running activities over one weekend in September. In 2009 there were 4,100 HODs events, up 10% on 2008, attracting an estimated one million visitors.

A large number of people also volunteer in archaeology. A Council for British Archaeology (CBA) study published in 2010 found evidence of over 2,000 voluntary groups and societies active in archaeological heritage activities throughout the UK, representing an estimated 215,000 people. Many of these volunteers were involved in the CBA's Festival of British Archaeology. Over a two week period 760 events attracted 160,000 participants.

The sector continue to offer training opportunities for volunteers including the Society for the Protection of Ancient Buildings *Faith in Maintenance* scheme which has recently been awarded an European heritage award from Europa Nostra.

EDUCATION AND THE HISTORIC ENVIRONMENT

The heritage sector is continuing to look at new ways to contribute to education. The joint English Heritage/CABE **Engaging Places programme**, the online platform for small and large organisations and venues to showcase what they offer to young people, schools and families, continues to expand. Over 520 venues now have their own pages on the site along with 870 specially written teaching activities. There are also 300 articles promoting the value of learning through buildings and places with features such as *Harry Potter and the Fans of Gloucester Cathedral; Reflecting on Sacred Spaces* and articles on regeneration and the 2012 Olympics. In July 2010 CABE launched a temporary exhibition of Engaging Places at the Clore Learning Centre in Discover Greenwich at the Old Royal Naval College. The exhibition covered the work of 12 schools and aimed to encourage participation in the improvement of their local environment.

In July 2010 the Culture and Sport Evidence Board (CASE) released a ground breaking collection of new resources on the drivers, impacts and value of participation in the historic environment. Highlights include a database of 5,000 articles on participation in arts and culture (including over 200 on heritage) and a regression model which predicts the factors which impact on participation. It found that watching heritage TV, access to the internet and visiting sites as a child are all positive predictors of heritage participation. The project produced a model which can predict participation levels created by new policies and delivered new regional evidence databases. It also launched a new technique for measuring the value of participation in culture and sport in terms of increased wellbeing. It found a direct link between visiting historic sites such as historic houses and increased levels of wellbeing. For more information please visit **www.culture.gov.uk/case**

DEVELOPING THE HISTORIC ENVIRONMENT WORKFORCE

The sector continues to offer workforce development opportunities in heritage. The largest programme of this type is HLF's **Skills for the Future**. In May 2010, HLF announced a £17 million investment in 54 projects which together will provide over 800 paid training placements in the heritage sector. Those receiving grants include The National Heritage Training Group, the Chester Renaissance Academy of Heritage Skills, The Council for British Archaeology and Eastside Community Heritage.

CHANGES TO FUNDING IN THE HISTORIC ENVIRONMENT

The legacy of the recession and a decrease in public funding means that investment in the historic environment has been perhaps the key issue for the sector in the last few years.

As the majority of the historic environment is in private ownership, private sector investment is vital to the historic environment. Each year private individuals and businesses invest hundreds of millions of pounds in the historic environment. For example, a survey of 1,500 Historic Houses Association members in 2009 estimated that they spend £139 million each year on maintaining their historic houses, contents and related listed buildings. Yet like public sector funding, private sector investment in the historic environment has fallen, as businesses and individuals are still finding it difficult to raise the capital needed to invest in the historic environment. Private sector lending in the first quarter of 2010 was down 40% on the same period in 2009. The reduction in private finance available is reflected in fewer planning applications and the lowest private property repair and maintenance output figures since records began in 2004. Private owners of historic visitor attractions have also seen the cost of conservation and compliance with regulation growing faster than income, against a background of falling public support for restoration.

In the public sector, Government's imposition of immediate £6.2 billion efficiency savings, meant English Heritage's Grant-in-Aid for 2010/11 was cut by 3% (a decrease of just over £4 million), and in June 2010 it was announced that as part of further efficiency savings, the central government funding for building the new Stonehenge visitor centre for 2012 would no longer be available.

In 2009/10 HLF supported heritage projects with a total grant request of £178 million, lower than in previous years. However In 2010/11 HLF's resources for new awards will be higher at £205million, helped by recent increases in income from ticket sales. The proportion of lottery funding available for the historic environment could also increase under the proposals outlined in the Coalition Government's formal consultation on National Lottery shares. It proposes increasing the proportion of National Lottery funding connected to national heritage from 16.6% to 18% by April 2011 and to 20% by 2012, a return to the original share for heritage. Based on 2009/10 National Lottery funding figures, this would mean an extra £50 million to national heritage by April 2012.

In the voluntary sector, organisations are finding it increasingly difficult to win grants and raise the matched funding often needed for successful bids. Low interest rates are also having a particular impact on the income of charities. In response to this situation, in late 2009 The Heritage Alliance begun a fundraising skills programme, which includes the re-launch of its free online Heritage Funding Directory **http://www.heritagelink.org.uk/funding directory/main/fundinghome.php** to facilitate access to funding, as well as fundraising seminars to be run jointly with HLF beginning in late 2010.

Levels of philanthropic private giving to the heritage sector have remained relatively stable over recent years. Arts and Business data for 2008/09 shows that private giving to the heritage sector was up 7% to £225 million as compared to 2007/08, accounting for 34% of all private giving. In contrast private investment across all cultural forms was down 7%.

The recent changes in the historic environment funding landscape have impacted on the sector, with for example, perhaps fewer large-scale projects commissioned in the last few years. However the spending review announced shortly after the publication of this document, will lead to even more radical changes to the sector. The implications of the spending review for the historic environment is outlined on page 22.

The Common Agricultural Policy (CAP) funded Rural Development Programme is the single largest funding stream for the rural historic environment in England with an estimated £10-£20 million spent annually on the historic environment.

The current programme runs out in 2013 and discussions are already underway regarding its future direction for 2014 – 2022. The pressure to reduce the overall budget, the expansion of the EU and the drive to concentrate resources on two key priorities, climate change and biodiversity, means that a reduction to overall historic environment funding is a distinct possibility. The historic environment sector in England is working with partners such as the European Association of Archaeologists and Europa Nostra on the future of CAP.

ORGANISATIONAL CHANGES IN 2010

2010 has seen many changes to the shape and strategy of organisations representing the heritage sector. The National Trust launched its new strategy *Going Local* which will see increased autonomy for local sites and English Heritage consulted the sector on its priorities for its next business planning period. Heritage Link became The Heritage Alliance and launched its pre-election manifesto *Making the Most of our Heritage*. The Historic Houses Association and Campaign to Protect Rural England (CPRE) also launched their own manifestos in 2010, and the CBA will launch its five year vision *Making archaeology matter* in November 2010.

2010 has also seen the establishment of the Civic Voice, the national representative body for the civic society movement. Its key function is to develop the capacity of local groups, unite them on common issues and help ensure their expertise and interests in national policy are represented. 258 civic societies with 68,000 individual members have signed up since its launch in April 2010.

LISTED PLACES OF WORSHIP

In July 2010, English Heritage launched *Caring for Places of Worship*, a programme set up to help congregations maintain and look after their buildings. A survey of places of worship throughout England found that 11% of buildings surveyed were potentially at risk, with rural Grade I places of worship most likely to be in poor condition. Further research explored the key issues facing people who look after places of worship and what support they would like to have. Issues highlighted included the need for more information on how to access funding and involve the wider community and better communication with local authorities. For more information visit **www.english-heritage.org.uk/powar**

To support the *Caring for Places of Worship* programme English Heritage undertook an evaluation of the Repair Grants for Places of Worship (RGPOW) programme (a grant scheme for listed places of worship run by HLF and English Heritage) and the Listed Places of Worship Scheme (LPOWS), a Treasury run scheme which provides listed places of worship with a grant equivalent to the VAT paid on repairs and maintenance. The survey found that 76% of RGPOW recipients would not have been able to complete the repair work without the grant. In relation to the LPOWS, one in five recipients of LPOWS stated that they would not have undertaken the work without it, 86% that the work supported by LPOWS halted the decline in their building and 76% agreed that it prevented irreversible damage. Both schemes help many recipients avoid costly repairs in the future.

LPOWS is due to end in March 2011. With strong support for the scheme throughout the historic environment sector, heritage organisations have orchestrated a wide-reaching campaign to highlight the importance of the scheme. A decision on its future will be made in the October spending review.

CLIMATE CHANGE AND THE HISTORIC ENVIRONMENT

A range of initiatives regarding climate change (the theme of *Heritage Counts 2008*) and the historic environment continue. In the last year The Prince's Regeneration Trust published its Green Guide to Historic Buildings, English Heritage published its guidance on Flooding and Historic Buildings, the CBA published a document on climate change impacts and the National Trust was recognised for its innovative commitment to renewable energy by winning the 'Pioneer' award in the British Renewable Energy Association Awards 2010. A sub-committee of the Historic Environment Forum has been set up to look across the sector at the impact and response of the historic environment to climate change.

CHALLENGES AND OPPORTUNITIES: THE HISTORIC ENVIRONMENT POST COMPREHENSIVE SPENDING REVIEW 2010

In the June 2010 budget, the Government announced the timetable for the Comprehensive Spending Review (CSR) with decisions to be announced on the 20th October. It was the first public indication of the size of cuts facing the public sector for the spending period 2011/12 to 2014/15. Departments outside of health and international aid are to have on average 25% cut in budgets over the next four years, with departments putting forward proposals for up to 40%. This reduction in funding will have a significant impact on the management and protection of the historic environment. Public sector funding is vital to the historic environment as it addresses recognised market failures and maximises the benefits of the historic environment. It provides the framework in which private and voluntary sector organisations can effectively operate, and in particular a reduction in funding could reduce the effectiveness of the heritage protection system, discouraging future investment in heritage.

A key part of heritage protection are historic environment staff in local authorities, where resources are already falling. In 2009/10 English Heritage, Institute of Historic Building Conservation (IHBC) and the Association of Local Government Archaeological Officers (ALGAO) repeated the census of building conservation and archaeology resources for the historic environment in local authorities. It found that in 2010 there were 1,086 full time equivalent (FTE) historic environment positions, a decline of 6% from 2008 (1,157 FTE) and 11% from 2006 (1,224 FTE) though still slightly higher than in 2003 (1,014 FTE).

The structure for public support is also changing. The Review of Arms Lengths Bodies has led to the abolition of the Museums, Libraries and Archives Council and UK Film Council, and the Government are currently looking at their responsibility for heritage and the built environment, and considering the role and remit of English Heritage, the Heritage Lottery Fund and the National Heritage Memorial Fund.

In July 2010 the Culture, Media and Sport Committee launched an inquiry into funding to arts and heritage which will look into all of these issues and the impact of public sector spending cuts on the heritage sector.

It is within this context that the sector will need to respond to new legislation such as the Decentralisation and Localism Bill which outlines the Coalition Government's proposals for the planning system and the devolution of power to local authorities and communities, and is likely to have a significant impact on the management of the historic environment.

The policies, strategies and spending cuts announced by the Coalition Government will have profound effects on the historic environment and will necessitate radical changes in the way the historic environment sector works. Some of the potential opportunities and challenges for the historic environment in the future include:

- The proposed increase in HLF funding is very much welcome. HLF total funding in the UK is £205 million per annum and could rise by £50 million if the change in lottery shares is agreed. However this will not cover the estimated decrease in public funding due to the spending review .The Lottery is in place to fund projects that would not otherwise be funded by the Government or public bodies in the pursuit of their statutory duties.

- Local authority conservation staff are vital to the successful management of the historic environment, for example by developing the partnerships needed to remove assets from the Heritage at Risk register and providing essential advice in the local planning process. The reduced level of resources is of much concern to the sector, not least because an increasingly inefficient heritage protection system would threaten large amounts of private sector investment in heritage.

- Partnership working provides the model for the historic environment, but limited public sector funding could create a situation in which it will be difficult for partners to provide match funding meaning some projects will not go ahead. Lower levels of public sector funding could also reduce the amount of private sector investment going into the sector, as it is often public funding which makes private sector projects viable.

- The rise in VAT to 20% in January 2011 may discourage some owners from undertaking repair and maintenance to the same levels of recent years leading to possible long-term loss and damage. It widens the gap between repair and maintenance which is subject to VAT and new build which is not. Higher VAT bills could further decrease the level of investment going into heritage.

- We are likely to see further shifts towards a mixed funding base combining earned income, philanthropy and public sector funding with volunteer support. Increasing commercial sources of income within the current financial climate will be difficult and even more so for those historic environment organisations which do not have visitor operations or are in more deprived areas. Appropriate changes to Gift Aid and end of year flexibility would help support this model of funding.

- Publicly funded organisations may well be forced to focus limited resources on core functions resulting in a reduction in access and engagement programmes which build long term public support for the historic environment.

- The Government's Big Society and localism agenda provides the sector with an opportunity to develop even closer links with the 450,000 plus historic environment volunteers, and thousands of civic societies and community groups, as well as the huge range of private or commercial owners, who are all vital to securing the benefits of the historic environment.

- We are already seeing a move to transfer more publicly owned assets to local community groups. This provides opportunities for innovative projects and improved public access and it is a priority for the sector to provide support for local groups taking on the management of historic buildings.

03

INDICATORS FOR THE HISTORIC ENVIRONMENT

For the last nine years, *Heritage Counts* has been collecting data on a series of indicators which provide insight into the state of the historic environment. The evidence collected is used by the sector to determine priorities and contribute towards the development of policy.

On **www.heritagecounts.org.uk** you will find comprehensive spreadsheets containing trend data relating to all the indicators. This is available at both national and regional levels. In this report, we have highlighted the key changes or findings for 2009/10 as compared to previous years. These findings are reported under the three sections:

UNDERSTANDING THE ASSETS
Data on the extent of historic environment assets.

CARING AND SHARING
Data on the condition of assets and resources, including funding available to manage them.

USING AND BENEFITING
Data on the social, economic and environmental benefits derived from active use of the historic environment.

UNDERSTANDING THE ASSETS

DESIGNATED HERITAGE ASSETS

WORLD HERITAGE SITES

There are 18 World Heritage Sites in England. In 2009 Darwin's Landscape Laboratory was put forward as a UK World Heritage Site nomination. However the World Heritage Committee has requested further in-depth study and analysis before the site can be considered for World Heritage designation. The Government plans to nominate the Twin Monastery of Wearmouth and Jarrow in January 2011 for consideration by the World Heritage Committee in summer 2012.

SCHEDULED MONUMENTS

In 2010 there were 19,724 scheduled monuments in England, a rise of 1.9% on numbers in 2002. The South West has the highest proportion of scheduled monuments, more than a third of the total (35%).

LISTED BUILDINGS

There are now 374,319 listed buildings entries in England, a 1% rise on 2002. The majority (92%) of these are Grade II. In recent years, significant inroads have been made in updating buildings listed under the older A/B/C categorisation, and there are now 22% fewer buildings recorded under these categories than in 2002.

REGISTERED PARKS AND GARDENS

In 2010 six new registered parks and gardens were added to the Register, bringing the total to 1,606. This is 115 higher than in 2002.

HISTORIC BATTLEFIELDS

is unchanged between 2002 and 2009 at 43.

MARINE HERITAGE SITES

There are 46 protected wreck sites in England, unchanged from 2009. There are seven more than there were in 2002.

HISTORIC AREAS AND OPEN SPACES

CONSERVATION AREAS:

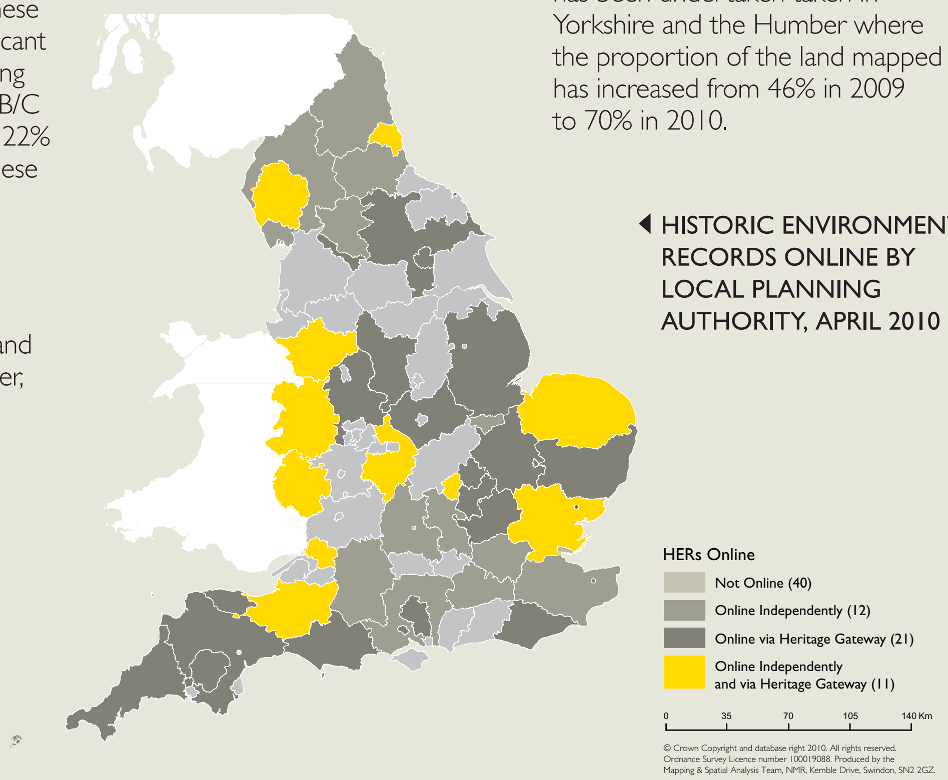
In 2010 there were approximately 9,800 conservation areas in England. Over a fifth (22%) are in the South West.

NATURAL PARKS AND AREAS OF OUTSTANDING NATURAL BEAUTY:

1.2m hectares of land (9% of total land mass in England) is designated as National Parks and 1.9m hectares (14%) as Areas of Outstanding Natural Beauty.

ANCIENT WOODLAND:

In 2009 there was 3,550 square kilometres of ancient woodland.



HISTORIC ENVIRONMENT RECORDS ONLINE BY LOCAL PLANNING AUTHORITY, APRIL 2010

ACQUIRING INFORMATION ON THE HISTORIC ENVIRONMENT

HISTORIC ENVIRONMENT RECORDS (HERS):

There are now 44 HERs online, up from 32 in 2009 and 19 in 2008. 73% are available through the Heritage Gateway website. The increasing availability of HERs online is an important part of Heritage Protection Reform, increasing the accessibility of information on local historic environments.

HISTORIC LANDSCAPE CHARACTERISATION:

Historic landscape characterisation is a tool for describing the historic character of places as they are today and how past changes have shaped present day appearance. The proportion of England which has undergone historic landscape characterisation increased from 36% to 86% between 2002 and 2010. Over the last year significant work has been undertaken taken in Yorkshire and the Humber where the proportion of the land mapped has increased from 46% in 2009 to 70% in 2010.

CARING AND SHARING

HERITAGE AT RISK

BUILDINGS AT RISK

In 2010, 968 Grade I and II* listed buildings (3.1% of all listed buildings of this type) were classified as at risk. Since the Register was last published in July 2009, 62 entries have been added to the Register and 74 entries removed. Of the 74 entries removed, 69 have had their future secured, four re-assessed and one demolished. In total, 50.4% of all entries on the original 1999 Buildings at Risk Register have now been removed.

While the proportion of Grade I and Grade II* listed buildings at risk has declined from 3.8% (1,158) in 1999, there has been very little change since 2007 when 3.2% (966) Grade I and Grade II* buildings were at risk. In part this slowdown is because the Register contains a higher proportion of 'harder' cases, those whose main driver for being at risk is functional redundancy. With the private sector finding it difficult to raise capital and public funding becoming scarcer, it is possible that the proportion of buildings at risk may increase.

SCHEDULED MONUMENTS AT RISK

In 2010, 3,395 scheduled monuments (17.2% of all scheduled monuments) were at risk. This is a 0.7 percentage point decrease from the 2009 proportion, and 140 fewer sites. This in part reflects the success of the Environmental Stewardship scheme with Natural England in addressing problems that lead to monuments being at risk. 2,000 scheduled monuments (10% of the total number of monuments in England), have now voluntarily entered into the scheme, and of those 2,000, 800 were previously under the plough, often a significant factor in creating risk.

REGISTERED PARKS AND GARDENS AT RISK

99 registered parks and gardens (6.2%) were at risk in 2010 compared to 96 in 2009. In 2010 five registered parks and gardens have been added to the Heritage at Risk Register and two removed. The largest number of parks and gardens at risk continue to be in the South East where the number of registered parks and gardens at risk remain unchanged at 24 (9.5% of the total number of registered parks and gardens in that region).

CONSERVATION AREAS AT RISK

2010 was the baseline year for conservation areas at risk. 7% of conservation areas surveyed were assessed at being at risk, with the South West recording the highest proportion of conservation areas surveyed at risk (11.1%).

REGISTERED BATTLEFIELDS AT RISK

In 2010, six registered historic battlefields (14% of the total) were classified as at risk; a fall of one from the previous year.

PROTECTED WRECK SITES AT RISK

In 2010 the number of protected wreck sites in England at risk was eight (17.4% of all sites). This is one site fewer than in the previous year. With two exceptions all protected wreck sites are in the South East and South West.

CARING FOR PLACES OF WORSHIP AT RISK

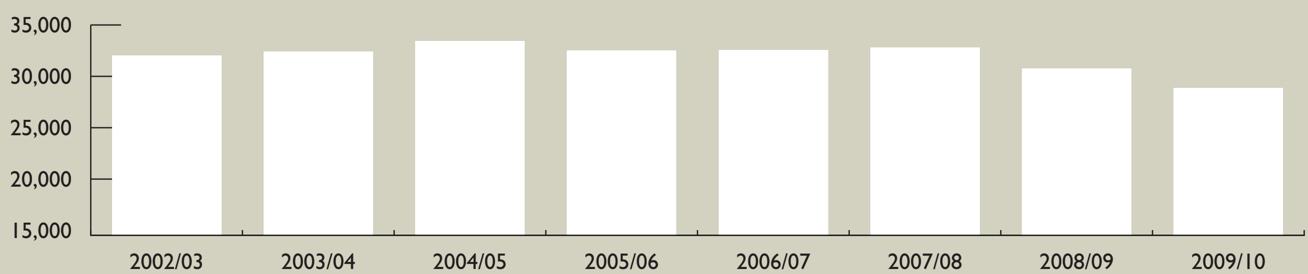
This year English Heritage undertook a survey of listed places of worship. Of those places of worship surveyed, 11% were found to be in poor or very bad condition, and therefore potentially at risk. Higher graded buildings were more likely to be at risk with 14% of Grade I and 13% of Grade II* places of worship at risk, significantly higher than Grade II (8%). The survey also found that rural places of worship are more likely to be at risk (13%) than urban ones (9%). The initial results from this years survey are currently being checked before the buildings go onto the Heritage at Risk Register in 2011.

MANAGING POSITIVELY

PLANNING APPLICATIONS

In 2009/10 there were 417,600 planning applications decided in England. This represents a drop of 15% on 2008/09 and a decline of 29% on applications decided in 2002/03. While applications are continuing to fall, they are doing so at a slower rate. Between 2007/08 and 2008/09

10 NUMBER OF LISTED BUILDING CONSENT DECISIONS IN ENGLAND



planning applications dropped by 18%. This reduction in planning applications is due in the main to the recession which has decreased the level of development activity.

LISTED BUILDING CONSENT

There were 27,234 listed buildings consents decided in 2009/10, down 10% from the previous year and 16% from 2002/03. Two percent (627) of all listed building consent decisions were for consents for complete or substantial demolish. Listed building consents continue to be under 2002/03 levels (32,587) for the second year running. As with planning applications this fall in numbers is mainly due to the economic downturn, although listed building consents are not falling at the same rate as planning applications.

SCHEDULED MONUMENT CONSENT

In 2009/10 the number of scheduled monument consents was 1,138, a 31% rise on 2002/03 levels. It is thought that new administrative arrangements recording the management of scheduled monuments could be partially behind this increase. However as the number of consents has fluctuated over the period that *Heritage Counts* has been collecting the data, it is not possible to ascertain whether this is the beginning of a significant and ongoing rise in consent numbers. *Heritage Counts 2011* will be able to comment on this issue in more detail.

CONSERVATION AREA CONSENT

2,927 conservation area consents were given in 2009/10. This is down 16% from 2008/09 levels, and also down slightly (3%) from 2002/03 levels. They are now at their lowest level since *Heritage Counts* started collecting this data.

PLANNING APPLICATIONS AFFECTING REGISTERED PARKS AND GARDENS

In the 2009/10 there were 781 planning applications affecting registered parks and gardens in England. This is a 3% decline on the number in the previous year. The number of planning applications affecting registered parks and gardens is still above 2003/04 levels by 4%.

MANAGEMENT OF WORLD HERITAGE SITES

As in the previous three years, all World Heritage Sites in England have management plans.

FUNDING FOR THE HISTORIC ENVIRONMENT

HERITAGE LOTTERY FUND (HLF)

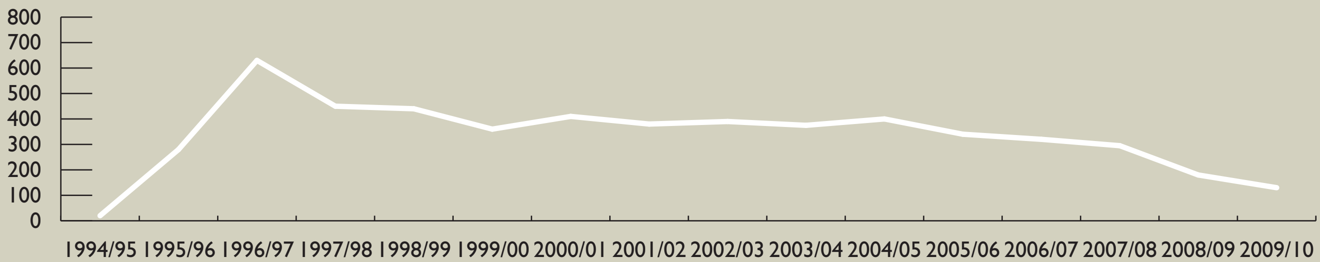
HLF funding distributed in 2009/10 was £101.9 million, down from £160.8 million in 2008/09 (a decrease of 37% non-adjusted for changes in value created by inflation) and 69% on 2002/03 funding levels. In part this is due to a reduction in HLF's grants budget, but is also a reflection of changes to the application process. From October 2008 the value of grants awarded to projects through the Heritage Grants programme has not been counted until the second round of a two-round application process. At March 31st 2010, there were 163 projects that had received a first round pass and were in the development stage before submitting their second round application. These projects have made grant requests to HLF for a total of £178m.

ENGLISH HERITAGE EXPENDITURE AND INCOME

In 2009/10 English Heritage received £130.9million in Grant-in-Aid, a slight decrease on 2008/09 (£132.9 million non adjusted). English Heritage's total income from other sources was £54.4 million up £6.3 million from 2008/09. Earned income from membership, retail, catering and admissions was £48.6 million, a rise of 13% on the previous year.

English Heritage provided £32.3 million worth of grants to the historic environment, a rise of £3.3 million on 2008/09, but still below the levels given when *Heritage Counts* first started reporting on this data in 2002/03 (£39.3 million).

11 HLF GRANTS AWARDED (UK) 1994/95 TO 2009/10 (£M, 2009/10 PRICES)



OTHER PUBLIC SECTOR SOURCES OF FUNDING

A number of other funding bodies or programmes provide investment for the historic environment. In 2009/10 this included £3.1 million through the Churches Conversation Trust and approximately £15 million via the Listed Places of Worship Grant Scheme. The Historic Royal Palaces spent £15.7 million on conservation of the five historic royal palaces under their care and approximately £10-20 million of funding is made available to the rural historic environment each year through the Rural Development Programme, administered by DEFRA.

THE NATIONAL TRUST EXPENDITURE AND INCOME

In 2009/10 National Trust income was £406 million, very slightly down on 2008/09 but up 38% on 2002/03, and expenditure was also £406 million up 45% on 2002/03 with £177 million spent on routine property costs.

PRIVATE SECTOR INVESTMENT IN THE HISTORIC ENVIRONMENT

The great majority of historic environment investment comes from the private sector, but no comprehensive trend data is available. A 2003/04 study for the Historic Houses Association (HHA) estimated that the private sector spend an estimated £3.5 billion per annum on historic buildings. A further study for HHA in 2009 found a backlog of urgent repairs at HHA houses which exceed £390 million, £280 million from houses open to the public.

EMPLOYMENT AND SKILLS IN THE HERITAGE SECTOR

NUMBER EMPLOYED DIRECTLY IN HERITAGE, MUSEUMS AND CONSERVATION

The Annual Business Inquiry (ABI), run by the Office for National Statistics, is a key source for continuous and comparable data on employment in the heritage sector. Each year it requires the majority of businesses to provide employment and financial information.

As measured by the ABI between 2006 and 2007, the number of people directly employed in heritage, museums and conversation was stable at 35,000. However the number employed declined by 25% between 2007 and 2008 to 28,000 (the last available data). It is likely that this decrease coincides with the beginning of the recession. With an increase in visitor members in 2009, it is likely that this figure will rise again. *Heritage Counts* will monitor this figure to see if employment continues to fall and assess what it means for the heritage sector. It is not possible to make comparisons with data from before 2006.

HISTORIC ENVIRONMENT EMPLOYMENT IN LOCAL AUTHORITIES

In 2009/10 English Heritage, Institute of Historic Building Conservation (IHBC) and the Association of Local Government Archaeological Officers (ALGAO) repeated the survey of local government resources for the historic environment. It found 1,086 full time equivalent (FTE) historic environment positions, a decline of 6% from 2008 (1,157 FTE) and 11% on 2006 (1,224 FTE) though still slightly higher than in 2003 (1,014 FTE). There has been some variation across the regions. In six of the regions employment figures have declined, with the South West having the largest decline, (16% fall in building conservation staff between 2008 and 2010), while in the North West there was a 12% increase in employment between 2008 and 2010. The greatest fall has been among conservation staff where the number of FTE has fallen from 756 in 2008 to 701 in 2010 (a decrease of 7.3%), though figures are still higher than in 2003 (668).

APPRENTICE/TRAINEE NUMBERS IN HERITAGE-RELATED CRAFT SKILLS

In 2009/10 there were 11,055 first year apprentices and trainees (3,786 apprentices and 7,269 trainees) in heritage-related crafts at level 2 and 3. This represent a 9% fall on the previous year, and is driven entirely by a decrease in the number of apprentices; trainees were marginally up. Overall apprentice and trainee figures are 45% down on 2005/06 levels. The decrease is due in part to the difficulty in providing sufficient numbers of work placements for apprentices combined with the popularity of Construction Awards, which are delivered solely within a training centre. The latter are not included in these figures and it should be noted that in 2009/10 over half (51%) of all first-year trainees in construction craft training in England were studying for Construction Awards. It should also be noted that the decrease in the overall levels of entering training is set against the backdrop of the worst recession to hit the construction industry for more than 50 years.

THE ROLE OF LOCAL AUTHORITIES

In 2010, as in 2009, 295 Local Authorities (76% of all Local Authorities) had Heritage Champions. This is an increase from 208 Local Authorities with Champions in 2006.

USING AND BENEFITING

PARTICIPATION IN THE HISTORIC ENVIRONMENT

The latest figures from *Taking Part*, the national survey of culture and sport, shows that 70.4% of adults had visited at least one heritage site in the last 12 months in 2009/10. This is not a statistically significant change from the 2005/06 baseline (69.9%) or 2008/09 data (68.5%). Participation rates continue to vary across regions and socio-economic groups. For example in 2009/10 the participation rate in London was 59.8% compared to 81% in the South East. Participation rates for people from Black and Minority groups (50.5%), those with long standing illness or disability (62.2%) and those from lower socio-economic groups (57.3%) are still lower than the national average. New data for 2009/10 analyses participation rates by deprivation levels. It shows a dramatic gulf between the participation rates of adults living in the 10% least deprived areas (84.2% participating in the historic environment) compared to 39.8% of those living in the 10% most deprived places.

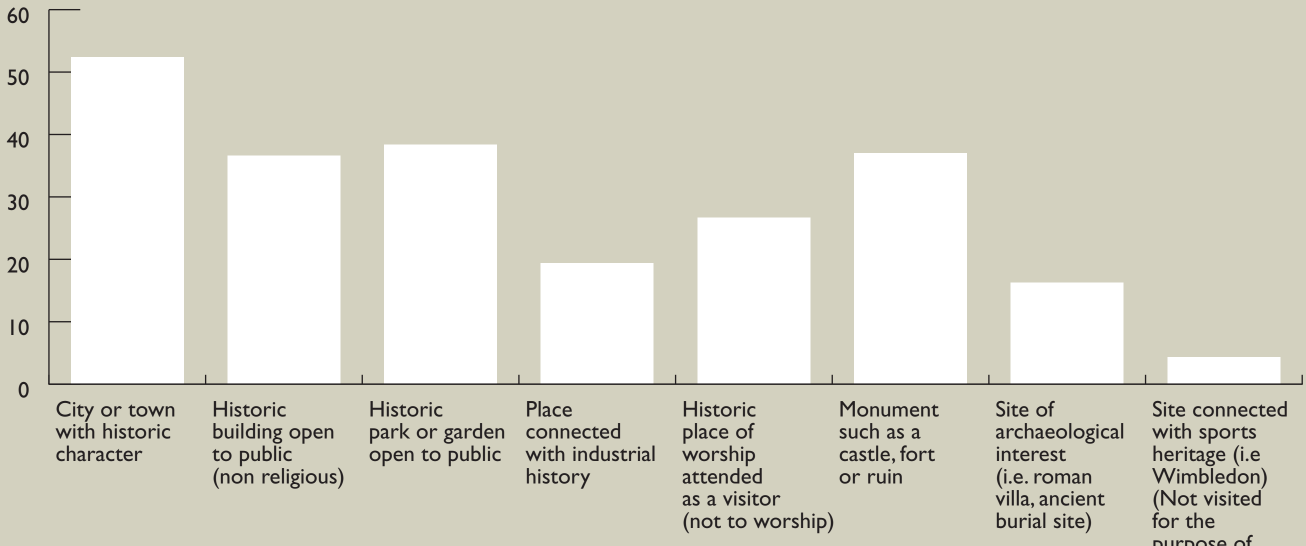
Participation figures for children also show no significant change over the last few years. In 2009/10 71% of 11-15 year olds and 79.4% of 5-10 year olds had visited at least one heritage site, unchanged on the baselines (72% of 11-15 year olds in 2006/07 and 71.4% of 5-10 year olds in 2008/09). *Taking Part* though continues to show a large drop off in participation levels when people leave school and/or their family home. Among 16-24 year olds the percentage participating in the historic environment falls to 59.9%.

In 2009/10 visiting historic towns (54.8%), historic parks and gardens (41.5%) and historic buildings (38.5%) remain the top three activities, just as they were in 2005/06. Over this time period, participation in historic parks and gardens has increased significantly (from 38.4% in 2005/06 to 41.5% in 2009/10).

HERITAGE OPEN DAYS

In 2009 there were 4,100 events and activities during Heritage Open Days (HODs). This is a 10% increase on the previous year and an 88% increase on the number in 2002. The number of events and activities has increased fairly steadily since 2002 and is now estimated to attract 1 million visitors each year. Heritage Open Days continue to attract a diverse range of participants and are important events which help develop links between communities and their local heritage. For example, a visitor survey in 2009 found that 89% of respondents felt prouder of their local area after visiting a HODs event and 81% felt more like a member of the local community.
www.heritageopendays.org.uk

12 PERCENTAGE OF ADULTS IN ENGLAND WHO HAVE VISITED A HERITAGE SITE IN THE LAST 12 MONTHS (TAKING PART 2009/10)



Source: Taking Part, Department of Culture, Media and Sport

NUMBER OF VISITS TO HISTORIC ENVIRONMENT ATTRACTIONS

TOTAL VISITOR NUMBERS TO HISTORIC SITES

The *Visit England survey of Visitor Attractions* found that there were at least 51.2 million visits to heritage attractions in England in 2009. The actual figure is likely to be much higher than this as not all sites respond to the survey. For attractions which answered the survey in both 2008 and 2009, visitor figures have risen by 9% and gross revenue was also up by 9%. There were at least 19 million visits to historic houses up 12% on last year, 10.6 million visits to places of worship (those still in use) up 6% and 7.8 million visits to historic gardens up 10%. Since 1989, when the survey was first done, proportionally the largest increase in visitor numbers has been to gardens and heritage centres.

NATIONAL TRUST VISITOR NUMBERS

In 2009/10 there were 15,415,585 National Trust visits to staffed sites in England. This is a 16% increase on the previous year, and a 25% increase on 2006/07. The area that has seen the fastest rate of growth in visitor numbers is the East Midlands, where visitor numbers increased by 25% between 2008/09 and 2009/10. The slowest growth was in the North West, where growth was 11% over the same time period.

ENGLISH HERITAGE VISITOR NUMBERS

In 2009/10 there were 5.6 million visitors to English Heritage staffed sites. This is an increase on the previous year where visitor numbers were 5 million and is indicative of the successful summer last year.

HISTORIC HOUSES ASSOCIATION VISITOR NUMBERS

2009 saw an 8% rise in visitor numbers as compared to 2008, among HHA members who replied to the visitor survey in both years. In 2009 11.8 million visitors attended the Houses which responded to the survey.

VISITOR FIGURES FROM OTHER ORGANISATIONS

The 341 Churches Conservation Trust (CCT) churches attracted 1.7m visitors in 2009 and in 2009/10 3.3m visits were made to Historic Royal Palaces, up 15% on 2008/09. The Chapel and Painted Hall at the Old Royal Naval College in Greenwich attracted 545,000 visitors in 2009, up 11% on 2008 and there were approximately 12 million visitors to Church of England cathedrals, similar to previous years.

MEMBERSHIP OF HISTORIC ENVIRONMENT ORGANISATIONS

NATIONAL TRUST MEMBERSHIP

In 2009/10 the National Trust had 3,785,000 members. This is a 5% increase on the previous year and a third (33%) increase on its membership in 2001/02. National Trust membership has been increasing year on year over this period.

ENGLISH HERITAGE MEMBERSHIP

English Heritage had 719,000 members in 2009/10. This is a 5% increase on the previous year. Membership has seen a 62% increase since 2001/02 and has been increasing year on year over this period.

THE HISTORIC HOUSES ASSOCIATION (HHA) FRIENDS

There were 31,096 HHA Friends in 2009, up 27% from 2007 and 15% from 2008.

VOLUNTEERING IN THE HISTORIC ENVIRONMENT

The latest available volunteering figures from the *Taking Part* survey indicate that there are an estimated 485,000 adult volunteers in the heritage sector.

In 2009/10 there were 61,200 National Trust volunteers. Direct comparison with previous years is not possible as new data collection techniques are now being used. In 2009 4,000 volunteers contributed their time and skills to CCT churches.

LEARNING AND THE HISTORIC ENVIRONMENT

EDUCATIONAL VISITS TO HISTORIC ENVIRONMENT SITES

In 2009 there were an estimated 1.7 million visits to historic properties by school children. The number of education visits has remained relatively stable since 2001 when this data was first collected.

ENGLISH HERITAGE EDUCATIONAL VISITS

In 2008/09 there were 378,000 free visits and 46,000 Discovery Visits to English Heritage sites. The number of free visits is 7% below 2001/2 levels, and a 7% decrease on 2008/09.

The number of Discovery Visits was 18% higher than in the previous year, which was in turn a significant increase on their first year of operation (2006/07), when there were 10,000 visits.

HHA EDUCATION FIGURES

In 2009 there were 277,000 education visits to HHA houses open to the public. 145,000 were to properties in the South East.

EDUCATIONAL VISITS TO CHURCH OF ENGLAND CATHEDRALS

The number of children who attended educational events at cathedrals in 2009 has increased slightly by 2.2% as compared to 2008, rising to 304,650.

THE ATTAINMENT OF QUALIFICATIONS RELEVANT TO HERITAGE

In 2009, 42,842 students sat A-level History and 197,800 sat GCSE History. These numbers represented a 2% increase and 1% decrease on the previous year respectively.

The number of students sitting A-level history has increased by 21% between 2002 and 2009, although the percentage of all A level students this represents has remained relatively constant at around 5.5.%. The proportion of GCSE students studying history was 32% in 2009, which is a very similar percentage to previous years.

THE HISTORIC ENVIRONMENT AND HIGHER EDUCATION

The total number of students in topics most related to the historic environment (history, archaeology, architecture, building, landscape design and planning) was 121,310 in the academic year ending 2009. This is a 1% increase on the previous year and a 17% increase on 2002. Overall the number of students in all subjects has increased by 10% since 2002. The percentage of all students accounted for by people studying in historic environment related subjects has also increased from 4.8% to 5.1% over this period. However there have been some decreases in student numbers in particular subjects. In archaeology and landscape design, student numbers have fallen by 21.6% and 16.5% respectively between 2003 and 2009. However it should be noted that some students studying these topics will be on more general courses which will not necessarily be picked up in these statistics.

WELL-BEING AND QUALITY OF LIFE: ATTITUDES TO THE HISTORIC ENVIRONMENT

Heritage Counts has used two questions from the *Taking Part* survey as a measurement of attitudes and value of the historic environment. The latest available data shows that in 2007/08 93% of adults agreed that when trying to improve local places its worth saving their historic features (unchanged from the 2005/06 baseline of 92%) and 71% agree that they are interested in the history of the place they are in (also unchanged from the 2005/06 baseline 71%). These questions were not repeated in the last two rounds of *Taking Part*, though it is hoped that they will be picked up again in the future.

THE NUMBER OF EMPTY HOMES

In 2009 there were 651,993 empty homes in England. This is a 6% decrease on the number in the previous year. In 2002 the number of empty homes was 704,288; this then fell to a low of 656,433 in 2006 and has subsequently slowly risen until 2009, when it began to decline again.

HERITAGE COUNTS 2010 INDICATORS

The baseline year is 2002, the first year that an equivalent report to *Heritage Counts* (State of the Historic Environment 2002) was produced. When the baseline was collected on another date this is clearly referenced. Unless otherwise specified the value is based on the situation in April 2010.

A UNDERSTANDING THE ASSETS

INDICATOR	REFERENCE	MEASUREMENT	VALUE	CHANGE
A1 DESIGNATED HERITAGE ASSETS	A1.1	NUMBER OF WORLD HERITAGE SITES (2010)	18	INCREASE OF 3 COMPARED TO 2002
	A1.2	NUMBER OF SCHEDULED MONUMENTS (2010)	19,724	INCREASE OF 377 COMPARED TO 2002
	A1.3	NUMBER OF LISTED BUILDINGS (2010)	374,319	INCREASE OF 3,587 COMPARED TO 2002
	A1.4	NUMBER OF REGISTERED PARKS AND GARDENS (2010)	1,606	INCREASE OF 115 SITES COMPARED TO 2002
A2 HISTORIC AREAS AND OPEN SPACES	A2.1	NUMBER OF CONSERVATION AREAS (2010)	9,800 ESTIMATED	INCREASE OF APPROXIMATELY 400 SINCE 2005
	A2.2	AREA OF LAND IN ENGLAND WHICH IS A NATIONAL PARK OR AREA OF OUTSTANDING NATURAL BEAUTY (2010)	31,139 SQUARE KILOMETRES	RELATIVELY STABLE ON 2002
	A2.3	EXTENT OF ANCIENT WOODLAND (2010)	3,550 SQUARE KILOMETRES	NO DIRECT COMPARISON POSSIBLE BECAUSE OF CHANGES TO METHODOLOGY
A3 ACQUIRING INFORMATION	A3.1	NUMBER OF ON-LINE HISTORIC ENVIRONMENT RECORDS (2010)	44	AN INCREASE FROM 19 IN 2008
	A3.2	EXTENT OF HISTORIC LANDSCAPE CHARACTERISATION (2010)	86%	INCREASE FROM 36% OF ENGLAND'S LAND AREA IN 2002
	A3.3	EXTENT OF HISTORIC ENVIRONMENT RESEARCH	NO INDICATOR IDENTIFIED	UNKNOWN

B CARING AND SHARING

INDICATOR	REFERENCE	MEASUREMENT	VALUE	CHANGE
B1 HISTORIC ENVIRONMENT AT RISK	B1.1	PERCENTAGE OF GRADE I AND II* BUILDINGS AT RISK	3.1%	DECREASE FROM 3.8% IN 1999
	B1.2	REGISTERED PARKS AND GARDENS AT RISK (2010)	6.2%	DECREASE FROM 7% IN 2009
	B1.3	SCHEDULED MONUMENTS AT RISK (2010)	17.2%	DECREASE FROM 17.9% IN 2009
B2 MANAGING POSITIVELY	B2.1	NUMBER OF PLANNING APPLICATIONS DECIDED 2009/10	417,600	DECREASE FROM 585,600 IN 2002/03 (33% DECREASE) AND A 15% DECREASE ON 2008/09
	B2.2	NUMBER OF APPLICATIONS FOR LISTED BUILDING CONSENT DECIDED 2009/10	27,234	DOWN 16% ON 2002/03 AND 10% ON 2007/08
	B2.3	NUMBER OF SCHEDULED MONUMENT CONSENT DECISIONS 2009/10	1,138	NO STABLE TREND SINCE 2002/03
	B2.4	NUMBER OF PLANNING APPLICATIONS AFFECTING REGISTERED PARKS AND GARDENS 2009/10	781	NO SIGNIFICANT CHANGE COMPARED WITH 2003/04
	B2.5	NUMBER OF CONSERVATION AREA CONSENT APPLICATIONS DETERMINED 2008/09	2,927	NO SIGNIFICANT CHANGE ON 2002/203 BUT 16% DOWN ON 2008/09
	B2.6	PERCENTAGE OF WORLD HERITAGE SITES WITH MANAGEMENT PLANS IN PLACE (2010)	18 OUT OF 18	INCREASE FROM 10 OUT OF 14 IN 2002

Continues on next page

INDICATOR	REFERENCE	MEASUREMENT	VALUE	CHANGE
B3 CAPACITY AND RESOURCES	B3.1	NUMBERS EMPLOYED IN HERITAGE, MUSEUMS AND CONSERVATION SERVICES (2008)	28,000	DECREASE OF 7,000 ON 2006
	B3.2	AMOUNT OF PUBLIC FUNDING AVAILABLE (2008/09)	NO SINGLE INDICATOR IDENTIFIED	DECREASE IN REAL TERMS HLF FUNDING OF 58% AND ENGLISH HERITAGE GRANTS OF 36% ON 2002/03
B4 DEVELOPING TRAINING AND SKILLS	B4.1	NUMBER OF NEW APPRENTICESHIPS/TRAINEES IN HERITAGE CRAFT SKILLS (2009/10)	11,055	DECREASE OF 9,102 ON 2005/06
B5 LOCAL AUTHORITY HISTORIC ENVIRONMENT CHAMPIONS	B5.1	NUMBER OF LOCAL AUTHORITY HERITAGE CHAMPIONS (2010)	295 REPRESENTING 76% OF ALL LOCAL AUTHORITIES	INCREASE FROM 54% OF ALL LOCAL AUTHORITIES IN 2006

C USING AND BENEFITING

INDICATOR	REFERENCE	MEASUREMENT	VALUE	CHANGE
C1 PARTICIPATION	C1.1	ATTENDANCE AT DESIGNATED HISTORIC ENVIRONMENT SITES BY PRIORITY GROUP	70.4% ALL ADULTS, 57.3% NS-SEC 5-8, 50.5% BME GROUPS AND 62.2% LONG STANDING ILLNESS OR DISABILITY	NO SIGNIFICANT CHANGE ON 2005/06 PARTICIPATION RATES FOR ALL ADULTS OR THOSE FROM PRIORITY GROUPS
	C1.2	NUMBER OF MEMBERS OF HISTORIC ENVIRONMENT ORGANISATIONS (2009/10)	NATIONAL TRUST 3.7M, ENGLISH HERITAGE 719,000 (988,000 WITH CORPORATE MEMBERS)	INCREASE OF 33% ON NT MEMBERS SINCE 2001/02 AND 62% INCREASE IN ENGLISH HERITAGE MEMBERS (EXCLUDING CORPORATE)
	C1.3	NUMBER OF HISTORIC ENVIRONMENT VOLUNTEERS 2008/09	485,000	SMALL SAMPLE SIZE MEANS IT IS NOT POSSIBLE TO MAKE COMPARISONS OVER TIME
C2 ECONOMIC BENEFITS	C2.1	NUMBER OF VISITS TO HISTORIC VISITOR ATTRACTIONS (2009)	51.2 MILLION	UP 9% ON VISITOR NUMBERS IN 2008
C3 EDUCATION AND LIFELONG LEARNING	C3.1	NUMBER OF GCSE/A LEVEL HISTORY CANDIDATES (SCHOOL YEAR ENDING 2009)	197,800 GCSE AND 42,842 A-LEVEL STUDENTS	INCREASE OF 2% (GCSE) AND 21% (A LEVEL) ON SCHOOL YEAR ENDING 2002
	C3.2	NUMBER OF HIGHER EDUCATION STUDENTS STUDYING COURSES RELATED TO THE HISTORIC ENVIRONMENT (ACADEMIC YEAR ENDING 2009)	121,310	INCREASE OF 17% ON ACADEMIC YEAR ENDING 2003
	C3.3	NUMBER OF SCHOOL VISITS TO HISTORIC SITES (2009)	1.6 MILLION	UNCHANGED SINCE DATA WAS FIRST PUBLISHED IN 2001
C4 WELL-BEING AND QUALITY OF LIFE	C4.1	NUMBER OF PEOPLE AGREEING WITH THE STATEMENT 'WHEN TRYING TO IMPROVE LOCAL PLACES, IT'S WORTH SAVING THEIR HISTORIC FEATURES' 2007/08	93%	UNCHANGED SINCE 2005/06 BASELINE
C5 ENVIRONMENTAL SUSTAINABILITY	C5.1	NUMBER OF EMPTY HOMES (2009)	651,993	DECREASE OF 7% ON 2002/03

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